

SCIENTIFIC ADVISOR'S REFERENCE

Program:	Master in International Business
Student:	Olga Tolstikhina
Title of thesis:	Why do companies go public: empirical analysis of Russian and Austrian companies

Justification of the topic choice. Accuracy in defining the aim and objectives of the thesis. Justification of the topic choice; accuracy in defining the aim and tasks of the thesis; originality of the topic and the extent to which it was covered; alignment of the thesis' topic, aim and objectives.

Initial public offering is well discussed and researched area. There are many topics related to various aspects of the IPO process. Determinants of the IPO are among them, including ex ante and ex post factors. It is a growing market for IPO in Russia, thus it is very important to identify what factors influence the decision to go public, both from the side of corporate governance and financial performance. There are no studies based on Russian data, devoted to determinants of the IPO. Thus the research makes a theoretical contribution, as well as it provides managerial implications. Analysis of ex ante factors of the IPO decision is provided in this study. The novelty of the thesis is that analysis is made on samples of Russian and Austrian companies, based on a long time period, 2000-2010. This choice is justified by the difference in corporate governance models prevailing in these countries.

The aim of the research is stated clearly - to identify the relationship between set of financial factors and company's decision to go public. Objectives are consistent with the aim. The topic is fully covered by the thesis content.

Structure and logic of the text flow. Logic of research; full scope of the thesis; alignment of thesis' structural parts, i.e. theoretical and empirical parts.

The structure is logical. Author starts with the research problem statement, provides a literature review on various aspects of IPO process and its determinants. Analysis provided in this part is profound. The choice of Russian and Austrian companies samples is substantiated, specifics of IPO in two countries is emphasized. The literature review is followed by the empirical part, where hypothesis and methodology are defined; the data description is given, followed by the empirical results, their discussion, conclusions on theoretical contribution, practical and managerial implications. Theoretical and empirical parts are aligned.

Quality of analytical approach and quality of offered solution to the research objectives. Adequacy of objectives coverage; ability to formulate and convey the research problem; ability to offer options for its solution; application of the latest trends in relevant research are for the set objectives.

The thesis has a research nature and contains practical implications. The quality of the thesis content could be evaluated as good. Objectives are covered and fulfilled thoroughly. Research question and hypothesis are stated adequately. The author uses relevant methodology for testing hypotheses on the influence of the company's financial factors on its decision to go public. Objectives, hypothesis, methodology are consistent with those used in reputable publications. The literature review is rather thorough and relevant for hypothesis statement, choice of the methodology and factors included in the econometric model. Therefore the quality of analytical approach could be evaluated as high.

Quality of data gathering and description. Quality of selecting research tools and methods; data validity adequacy; adequacy of used data for chosen research tools and methods; completeness and relevance of the list of references.

The methodology, research tools and methods (regression analysis applied to panel data) are relevant for this research, processing the data collected. Data are valid, reliable, and relevant. The list of references is relevant.

Scientific aspect of the thesis. Independent scientific thinking in solving the set problem/objectives; the extent to which the student

<p>contributed to selecting and justifying the research model (conceptual and/or quantitative), developing methodology/approach to set objectives.</p> <p>The thesis is conducted independently, has a research nature. The author applied methodology used in existing studies, to identify the link between financial factors and the company's decision to go public, to meet objectives set. The theoretical contribution is new results, which could be extended to other emerging markets and European companies, representatives of different corporate governance models. Empirical findings are substantiated and have references to existing studies.</p>
<p>Practical/applied nature of research. Extent to which the theoretical background is related to the international or Russian managerial practice; development of applied recommendations; justification and interpretation of the empirical/applied results.</p> <p>Theoretical background is related to the practice of Russian and international public and private companies. Factors identified with regard to the IPO decision are defined based on the analysis of both private and public companies samples from Russia and Austria. Conclusions made could be extended to other emerging and European markets, both for domestic and international companies. Empirical results are interpreted properly. Practical recommendations are based on empirical findings. Conclusions and implications for companies and investors are relevant and substantiated. Common factors and differences between Russian and Austrian companies are identified and explained by the author.</p>
<p>Quality of thesis layout. Layout fulfils the requirements of the Regulations for master thesis preparation and defence, correct layout of tables, figures, references.</p> <p>The layout of the thesis is good and meets the requirements for master thesis preparation.</p>

The Master thesis of Olga Tolstikhina meets the requirements for master thesis of MIB program thus the author of the thesis can be awarded the required degree.

Date
26.09.2011

Scientific Advisor:
Asc. Prof. Yulia Ilina

